TFSA Investors: 2 Top Stocks to Buy in 2023 and Hold Forever

Description

If you witnessed your stock portfolio plummet in value in 2022, you're not alone. Most TFSA (Tax-Free Savings Account) investors saw this happening last year, as the **TSX Composite Index** ended the year with 8.7% losses, despite staging a minor recovery in the fourth quarter.

While investors are hoping to see our stock market recovery in 2023, it's nearly impossible for anyone to accurately predict the timing of the expected recovery amid ongoing macroeconomic uncertainties. Nonetheless, it's a fact that every bear market eventually turns into a bull market sooner or later. Given that, it could be the right time for investors to add some dirt-cheap stocks to their TFSA now to expect outstanding returns on their investments in the long run.

In this article, I'll highlight two of the best Canadian growth stocks that TFSA investors can buy in 2023.

Nuvei stock

Nuvei (TSX:NVEI) is my first stock pick for TFSA investors in 2023. The shares of this Montréal-based tech firm plunged by 58% in 2022 to $34.41 per share due partly to a tech sector-wide selloff. NVEI currently has a market cap of $4.8 billion.

In the September quarter, Nuvei's total revenue rose 7% from a year ago to US$197.1 million. With this, the company managed to beat analysts' estimate of US$188.6 billion, despite high inflationary pressures and other macroeconomic uncertainties. Although the tough economic environment hurt its earnings growth rate in the last quarter, it still maintained a positive year-over-year growth of 2%.

Moreover, the demand for Nuvei's payment technology solutions remains stable globally, which should help its financials to recover sharply once the macroeconomic environment starts improving in the coming quarters. Given that, you can expect this Canadian tech stock to stage a sharp recovery and deliver outstanding returns on your investments in the long term.

Shopify stock

Shopify (TSX:SHOP) could be another great dirt-cheap stock to consider for TFSA investors in 2023. The Ottawa-headquartered e-commerce giant has a market cap of $59.2 billion as its stock tanked by 73% last year to currently trade at $47.01 per share.

After its financial growth trends got a big boost from COVID-driven restrictions on physical activity in 2020 and the first of 2021, Shopify's earnings started to fall on a YoY basis as reopening economies slowed the digital commerce demand. These factors, along with a tech meltdown in the first half of 2022, were responsible for a massive crash in SHOP stock.

Despite being the worst-performing tech stock in Canada in 2022, the underlying fundamentals of the tech firm remain strong. In November, Shopify revealed that merchants on its platform had record-setting combined sales of US$7.5 billion on the Black Friday/Cyber Monday weekend, reflecting the continued popularity of its platform among merchants and their end consumers. This is one of the key reasons why I expect Shopify's financial growth trend to be back on track as soon as macroeconomic concerns start subsiding, which should help this growth stock stage a spectacular recovery.

CATEGORY

1. Investing
2. Stocks for Beginners

TICKERS GLOBAL

1. TSX:NVEI (Nuvei Corporation)
2. TSX:SHOP (Shopify Inc.)

PARTNER-FEEDS

1. Business Insider
2. Flipboard
3. Koyfin
4. Msn
5. Newscred
6. Quote Media
7. Sharewise
8. Smart News
9. Yahoo CA

PP NOTIFY USER

1. jparashar
2. kduncombe

Category

1. Investing

2. Stocks for Beginners

Date
2025/06/29
Date Created
2023/01/02
Author
jparashar